



## **DEPARTMENT OF AGRICULTURE**

### **Agricultural Marketing Service**

#### **7 CFR Part 1220**

**[Doc. No. AMS-LPS-18-0015]**

### **Soybean Promotion and Research: Amend the Order to Adjust Representation on the United Soybean Board**

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** This proposed rule would adjust the number of members on the United Soybean Board (Board) to reflect changes in production levels that have occurred since the Board was last reapportioned in 2015. As required by the Soybean Promotion, Research, and Consumer Information Act (Act), membership on the Board is reviewed every 3 years and adjustments are made accordingly. This proposed change would result in an increase in Board membership for five States, increasing the total number of Board members from 73 to 78. These changes would be reflected in the Soybean Promotion and Research Order (Order) and would be effective for the 2019 appointment process.

**DATES:** Comments must be received by [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Interested persons are invited to submit written comments concerning this proposed rule. Comments should be submitted on the Internet at [www.regulations.gov](http://www.regulations.gov) or Research and Promotion Division; Livestock and Poultry Program; Agricultural Marketing Service (AMS); U.S. Department of Agriculture (USDA), Room 2610-S, STOP 0251; 1400 Independence Avenue, SW.; Washington, D.C. 20250-0251. All comments should reference the

docket number, the date and page number of this issue of the Federal Register and will be made available for public inspection at the above address during regular business hours or at [www.regulations.gov](http://www.regulations.gov).

**FOR FURTHER INFORMATION CONTACT:** Mike Dinkel, (202) 720-0633,  
[Michael.Dinkel@ams.usda.gov](mailto:Michael.Dinkel@ams.usda.gov).

**SUPPLEMENTARY INFORMATION:**

**Executive Order 12866**

The Office of Management and Budget (OMB) has waived the review process required by Executive Order 12866 for this action.

**Executive Order 12988**

This proposed rule was reviewed under Executive Order 12988, Civil Justice Reform. It is not intended to have a retroactive effect. This action would not preempt any State or local laws, regulations, or policies unless they present an irreconcilable conflict with this rule.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 1971 of the Act (7 U.S.C. 6306), a person subject to the Order may file a petition with USDA stating that the Order, any provision of the Order, or any obligation imposed in connection with the Order is not in accordance with the law and request a modification of the Order or an exemption from the Order. The petitioner is afforded the opportunity for a hearing on the petition. After a hearing, USDA would rule on the petition. The Act provides that district courts of the United States in any district in which such person is an inhabitant, or has his or her principal place of business, have jurisdiction to review USDA's ruling on the petition if a complaint for this purpose is filed within 20 days after the date of the entry of the ruling.

## **Regulatory Flexibility Act**

The purpose of the Regulatory Flexibility Act (RFA) (5 U.S.C. 601-612) is to fit regulatory actions to the scale of businesses subject to such actions so that small businesses will not be disproportionately burdened. AMS has determined that this rule will not have a significant economic impact on a substantial number of small entities, as defined by RFA, because it only adjusts representation on the Board to reflect changes in production levels that have occurred since the Board was last reapportioned in 2015. As such, these changes will not have a significant impact on persons subject to the program.

There are an estimated 515,008 soybean producers and an estimated 10,000 first purchasers who collect the assessment, most of whom would be considered small businesses under the criteria established by the Small Business Administration (SBA) [13 CFR 121.201]. SBA defines small agricultural producers as those having annual receipts of less than \$750,000.

## **Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the reporting and recordkeeping requirements included in 7 CFR part 1220 were previously approved by OMB and were assigned control number 0581-0093.

## **Background and Proposed Changes**

The Act (7 U.S.C. 6301-6311) provides for the establishment of a coordinated program of promotion and research designed to strengthen the soybean industry's position in the marketplace, and to maintain and expand domestic and foreign markets and uses for soybeans and soybean products. The program is financed by an assessment of 0.5 percent of the net market price of soybeans sold by producers. Pursuant to the Act, an Order was made effective

July 9, 1991. The Order established an initial Board with 60 members. For purposes of establishing the Board, the United States was divided into 31 States and geographical units. Representation on the Board from each unit was determined by the level of production in each unit. The initial Board was appointed on July 11, 1991. The Board is composed of soybean producers.

Section 1220.201(c) of the Order provides that at the end of each 3-year period, the Board shall review soybean production levels in the geographic units throughout the United States. The Board may recommend to the Secretary of Agriculture (Secretary) modifications in the levels of production necessary to determine Board membership for each unit.

Section 1220.201(d) of the Order provides that at the end of each 3-year period, the Secretary must review the volume of production of each unit and adjust the boundaries of any unit and the number of Board members from each such unit as necessary to conform with the criteria set forth in §1220.201(e): (1) To the extent practicable, States with annual average soybean production of less than 3 million bushels shall be grouped into geographically contiguous units, each of which has a combined production level equal to or greater than 3 million bushels, and each such group shall be entitled to at least one member on the Board; (2) units with at least 3 million bushels, but fewer than 15 million bushels shall be entitled to one board member; (3) units with 15 million bushels or more but fewer than 70 million bushels shall be entitled to two Board members; (4) units with 70 million bushels or more but fewer than 200 million bushels shall be entitled to three Board members; and (5) units with 200 million bushels or more shall be entitled to four Board members.

The Board was last reapportioned in 2015. The total Board membership increased from 70 to 73 members, with Missouri, New Jersey, and Wisconsin each gaining one additional

member. The final rule was published in the Federal Register (80 FR 63909) on October 22, 2015. This change was effective with the 2016 appointments.

This proposed rule would increase total membership on the Board from 73 to 78, based on production data for years 2013-2017 (excluding the crops in years in which production was the highest and in which production was the lowest) as reported by USDA's National Agricultural Statistics Service. This change would not affect the number of geographical units.

This proposed rule would adjust representation on the Board as follows:

State	Current Representation	Proposed Representation
Alabama	1	2
Kentucky	2	3
North Dakota	3	4
South Dakota	3	4
Tennessee	2	3

Board adjustments as proposed by this rulemaking would become effective, if adopted, with the 2019 appointment process.

#### **List of Subjects in 7 CFR Part 1220**

Administrative practice and procedure, Advertising, Agricultural research, Marketing agreements, Soybeans and soybean products, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, it is proposed that Title 7, part 1220 be amended as follows:

#### **PART 1220--SOYBEAN PROMOTION, RESEARCH, AND CONSUMER INFORMATION**

1. The authority citation for part 1220 continues to read as follows:

**Authority:** 7 U.S.C. 6301-6311 and 7 U.S.C. 7401.

2. In §1220.201, the table immediately following paragraph (a) is revised to read as follows:

**§1220.201 Membership of board.**

(a) \* \* \*

Unit	No. of Members
South Dakota . . . . .	4
Ohio . . . . .	4
North Dakota . . . . .	4
Nebraska . . . . .	4
Missouri . . . . .	4
Minnesota. . . . .	4
Iowa . . . . .	4
Indiana. . . . .	4
Illinois . . . . .	4
Wisconsin. . . . .	3
Tennessee. . . . .	3
Mississippi. . . . .	3
Michigan . . . . .	3
Kentucky . . . . .	3
Kansas . . . . .	3
Arkansas . . . . .	3
Virginia . . . . .	2
Pennsylvania . . . . .	2
North Carolina . . . . .	2
Maryland . . . . .	2
Louisiana. . . . .	2
Alabama. . . . .	2
Texas. . . . .	1
South Carolina . . . . .	1
Oklahoma . . . . .	1
New York . . . . .	1
New Jersey. . . . .	1
Georgia. . . . .	1
Delaware . . . . .	1
Eastern Region (Connecticut, Florida, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, West Virginia, District of Columbia, and Puerto Rico). . . . .	1

Western Region (Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming. . . .	1
--	---

\* \* \* \* \*

Dated: July 2, 2018.

---

Bruce Summers  
Administrator

[FR Doc. 2018-14507 Filed: 7/5/2018 8:45 am; Publication Date: 7/6/2018]